

LEASE AGREEMENT
BETWEEN
WASHINGTON REAL ESTATE INVESTMENT TRUST
AND
MONTGOMERY COUNTY, MARYLAND
DATED 11/8/99

TABLE OF CONTENTS

Paragraph

1.	Premises
2.	Term
3.	Rent
4.	Real Estate Tax Increase
5.	Use
6.	Parking
7.	Property Damage and Liability Insurance
8.	Access
9.	Services
10.	HVAC System
11.	Alterations
12.	Notice of Defects
13.	Assignment and Subleasing
14.	Lessee's Covenants
15.	Destruction of Premises
16.	Delivery of Premises
17.	Default
18.	Holdover
19.	Lessor's Title and Covenant of Quiet Enjoyment
20.	Statutory Provisions
21.	Waiver
22.	Non-Discrimination
23.	Non-Appropriation
24.	Contract Solicitation
25.	Public Employment
26.	Condemnation
27.	General Provisions
28.	Construction and Remodeling
29.	Subordination
30.	Benefit and Burden
31.	Mail Notices
32.	Resident Agent

EXHIBIT A - Leased Premises

EXHIBIT B - Tenant Improvement Specifications

LEASE AGREEMENT

THIS AGREEMENT, entered into this 8th day of November, 1999, by and between, the WASHINGTON REAL ESTATE INVESTMENT TRUST, (hereinafter referred to as "Lessor") and MONTGOMERY COUNTY, MARYLAND, (hereinafter referred to as "Lessee").

WITNESSETH:

In consideration of the rent hereinafter reserved, and the covenants hereinafter contained, the parties hereto mutually agree as follows:

1. PREMISES: Lessor does hereby lease and demise unto Lessee and Lessee hereby leases from Lessor the premises described as 5,743 square feet of space comprising a portion of the eighth floor of the building located at 600 E. Jefferson Street, Rockville, Maryland 20852, as outlined in red on "Exhibit A" attached hereto and made a part hereof. Said space, along with the parking referred to in Section 7 of this Lease, is hereinafter referred to as the "Leased Premises".

2. TERM: The term of this Lease shall be five (5) years, commencing on or about November 13, 1999 or on such date as the Lessor completes the Lessee's improvements as set forth in the plans and specifications attached hereto as Exhibit B and made a part hereof, obtains all permits, including Use and Occupancy permit, from the appropriate authorities, and delivers the possession of the Leased Premises to Lessee in fully operable and usable condition for the intended use of the Leased Premises. The intended use is for general office purposes. The Leased Premises are to be delivered to the Lessee within ninety (90) days of the execution of this Lease Agreement. In the event Leased Premises are not delivered to Lessee within ninety (90) days of the execution date of this Lease Agreement as herein provided, Lessee may terminate this Lease Agreement and have no further obligation provided there was no delay caused by Lessee.

3. RENT: Lessee shall pay or cause to be paid to Lessor the annual amount of ONE HUNDRED THIRTY-FOUR THOUSAND, THREE HUNDRED EIGHTY-SIX and 20/100 (\$134,386.20) DOLLARS, payable in equal monthly installments of ELEVEN THOUSAND ONE

HUNDRED NINETY EIGHT 85/100 (\$11,198.85) DOLLARS. All payments are to be made in advance on the first day of each month during each lease year, and shall be payable to WRIT at 6110 Executive Boulevard, Rockville, Maryland 20852. In the event that the Lease is terminated prior to the end of any full lease year, the annual rent shall be prorated accordingly. On the first day of each lease year, the annual rent will be increased by four (4%) over the previous lease year's annual rent.

- A. No payment by Lessee or receipt by Lessor of a lesser amount than the monthly installment of rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent; nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction. Lessor may accept such check for payment without prejudice to Lessor's right to recover the balance of such rent or pursue any other remedy provided in this Lease.
- B. Any monthly installment of basic rent not paid within ten (10) days of the date on which it becomes due shall be subject to a late charge of five percent (5%) of the monthly installment of basic rent due.

4. REAL ESTATE TAX INCREASE: In the event that real estate taxes levied or assessed against the land and building during any "Comparison Year" (as hereinafter defined) are greater than the real estate taxes for the "Base Year" (as hereinafter defined), Lessee shall pay Lessor, as additional rent, Lessee's proportionate share (as hereinafter defined) of any such increase. The "Base Year" is hereby defined as the fiscal tax year commencing July 1, 1999 and terminating June 30, 2000. Lessee shall not be required to pay any of the taxes for the "Base Year". Lessee's proportionate share is hereby determined to be four and nine hundredth of one percent (4.99%) of the total increase in real estate taxes, in accordance with the following computations:

$$\frac{5,743 \text{ leased square feet}}{115,006 \text{ rentable square feet in building}} = 4.99\%$$

For purposes of this paragraph, the term "Comparison Year" shall mean each tax year following the Base Year during which this Lease remains in effect, including that year during which the

term of this Lease shall expire, or be otherwise terminated. In the event that the expiration date or termination date of this Lease shall not coincide with the end of a tax year or Comparison Year, Lessee's obligation to pay any amount under this paragraph shall remain in effect and shall be prorated on the basis of the proportionate relationship that the number of days in such final period of the term hereof bears to 365 days.

Lessee shall not be liable for any increase in real estate taxes due to an expansion of the building or any penalties assessed against Lessor in connection with late payment of real estate tax bills.

Lessee shall pay to Lessor Lessee's proportionate share of real estate tax increases (as hereinabove defined), no later than forty-five (45) days after presentation by Lessor to Lessee of documentation to that effect, including copies of paid tax bills. Lessee shall receive a proportionate credit or reimbursement for any rebate or tax reimbursement or refund received for a year in which Lessee has paid a share of the taxes. If this credit or reimbursement accrues after the expiration or termination of this Lease, Lessor shall promptly reimburse such amount to Lessee at the address given for notices to Lessee.

5. USE: Lessee covenants and agrees that said premises shall be used and occupied by the Montgomery County Government as general government offices, and for no other purposes. Lessee shall have the right to occupy and use the premises 24 hours a day, seven days a week.

6. PARKING:

A. Underground Garage: Lessor grants to Lessee, during the full term of this Lease and any extensions or renewals thereof, the use of sixteen (16) unreserved, guaranteed parking spaces in the underground garage in the building of which the Leased Premises are a part. It is agreed between the parties that the sixteen (16) unreserved, guaranteed parking spaces in the underground garage shall be provided by Lessor to Lessee at a total cost to Lessee of NINE THOUSAND SIX HUNDRED AND 00/100 (\$9,600.00)

Dollars a year, payable in equal monthly installments of EIGHT HUNDRED AND 00/100 (\$800.00) Dollars.

- B. Parking Fee Payments: All payments for parking spaces are to be made in the same manner as provided for in Paragraph 3 hereinabove.

7. PROPERTY DAMAGE AND LIABILITY INSURANCE:

- A. Lessee shall obtain and maintain, during the full term of this Agreement and any extension thereof, a policy of public liability insurance with bodily injury limits of FIVE HUNDRED THOUSAND (\$500,000.00) DOLLARS for injury (or death) to one person, FIVE HUNDRED THOUSAND (\$500,000.00) DOLLARS per occurrence, and property damage insurance with a limit of ONE HUNDRED THOUSAND (\$100,000.00) DOLLARS.
- B. Lessee agrees that it will not keep in or upon the Leased Premises any article which may be prohibited by the standard form of fire or hazard insurance policy. In the event Lessee's occupancy causes any increase in the insurance premiums for the Leased Premises or any part thereof, Lessor shall pay the additional premiums as they become due.
- C. Lessee will indemnify Lessor and save it harmless from and against any and all claims, action, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence upon or at the Leased Premises, or the occupancy or use by Lessee of the Leased Premises or any part thereof, or the Lessee's use of the exterior areas provided by Lessor for the comfort and convenience of Lessee, occasioned wholly or in part, to such extent, by any act or omission of Lessee, its agents, contractors, or employees, excepting claims arising out of the acts or omissions of the Lessor, the Lessor's agents, and employees. Provided, however, that Lessor provides to Lessee, within 30 days of the receipt thereof, notice of any and all claims under which Lessor will rely on this

indemnification. Lessee shall indemnify Lessor against any penalty, damage or charge incurred or imposed by reason of Lessee's violation of any law or ordinance.

- D. Lessee further agrees that all personal property in the Leased Premises shall be and remain at Lessee's sole risk, and Lessor shall not be liable for any damage to or loss of such personal property excepting damage arising out of the acts or omissions of the Lessor, Lessor's agents, contractors or employees.
- E. Lessee shall deliver to Lessor a certificate of insurance evidencing the coverage hereinabove described within thirty (30) days from execution of this Agreement. Lessee reserves the right to self insure.

8. ACCESS: Lessee will allow Lessor or Lessor's agents to have access to the premises upon reasonable notice to Lessee and at all reasonable times for the purpose of inspection or in the event of fire or other property damage, or for the purpose of performing any maintenance and repairs Lessor may consider necessary or desirable; provided, however, Lessor shall not interfere with Lessee's use of the premises.

9. SERVICES: Lessor, at Lessor's sole expense, shall provide all utilities, maintenance and repairs, trash removal and pest control within the Leased Premises. Lessor, at Lessor's sole expense, shall provide janitorial services within the Leased Premises, Monday through Friday in accordance with the schedule attached hereto and made part hereof as Exhibit B.

- A. Janitorial Services: In the event Lessor fails to provide satisfactory janitorial services in the Leased Premises, after due notice of seventy-two hours is given, Lessee shall have the right but not the obligation to assume responsibility for said services and be reimbursed the reasonable cost thereof by Lessor.
- B. Maintenance and Repairs - Emergencies: In the event Lessor fails to provide emergency maintenance and repair with dispatch and due diligence appropriate to the condition after notice from Lessee, then Lessee shall have the right but

not the obligation to correct these problems and be reimbursed the reasonable cost thereof by Lessor.

C. Maintenance and Repairs - Routine: In the event Lessor fails to correct routine maintenance and repair problems in the Leased Premises within 10 calendar days after notification of same by Lessee, Lessee shall have the right but not the obligation to correct these problems and be reimbursed the reasonable cost thereof by Lessor.

D. Lessee shall have the right to set off the cost of reimbursement of the services described herein from the next monthly rent due.

10. HVAC SYSTEM: Lessor agrees to provide heat and air conditioning during those seasons of the year when such services are required from 8:00 AM until 6:00 PM, Monday through Friday, exclusive of legal County holidays, in amounts and quantities sufficient to maintain in a balanced, comfortable manner all space occupied by the Lessee. Lessor will provide heating and air conditioning after the above stated hours, or on Sunday, provided that Lessee notifies Lessor in advance of such requirement for additional heating or air conditioning. Lessee shall pay an hourly charge for such additional HVAC services to reflect cost of utilities and other costs of operating the HVAC equipment. Lessee shall pay its equal share of the charge based on the number of users in the building during each period. Lessor shall provide Lessee with written documentation of number of users and hours used by each. The air conditioning shall be so balanced as to provide a temperature range between 74 and 78 degrees. The heating shall be so balanced as to provide a temperature range between 68 and 72 degrees. Lessor shall, during emergencies, change these temperature guidelines in accordance with Federal, State and local requirements.

11. ALTERATIONS: Lessee will not make any alterations, additions, or improvements of any kind to the Leased Premises without the Lessor's written consent, which consent shall not be unreasonably withheld, conditioned or delayed. All alterations, additions, or improvements made by either of the parties hereto upon the premises shall become the property of the Lessor and shall remain upon and be surrendered with the premises upon the termination of this lease. Lessee shall have the

right to install any furniture or office machinery necessary in the conduct of its business within the Leased Premises, and the same shall remain the property of the Lessee, and may be removed by Lessee upon the termination of this Lease.

12. NOTICE OF DEFECTS: Lessee shall provide Lessor with prompt notice of accidents on or damages to the structure, equipment, or fixtures of the Leased Premises, or defects in the roof, plumbing, electric and heating systems, to be remedied by Lessor. Lessor shall provide Lessee with prompt notice of accidents on or damages to the structure, equipment or fixture of the Leased Premises, or defects in the roof, plumbing, electric and heating systems, to be remedied by Lessor.

13. ASSIGNMENT AND SUBLEASING: Lessee shall not have the right to transfer possession or occupancy of the Leased Premises, nor sublet or assign this lease to any person or persons without the written consent of the Lessor. Lessor's consent shall not be unreasonably or unduly withheld. The consent by Lessor to any such assignment or subleasing shall not be construed as a waiver or release of Lessee from the terms of any covenant or obligation under this Lease, nor shall the collection or acceptance of rent from any such assignee or sublessee constitute a waiver or release of Lessee from any covenant or obligation contained in this Lease, nor shall any such assignment or subleasing be construed to relieve Lessee from obtaining the consent in writing of Lessor to any further assignment or subleasing.

14. LESSEE'S COVENANTS: Lessee covenants and agrees:

- A. To pay to Lessor the rent herein stated during the term hereof and until possession of the Leased Premises is redelivered to Lessor.
- B. Not to strip or overload, damage or deface the Leased Premises or hallways, stairways, elevators or other approaches thereto.
- C. Not to suffer or permit any trade or occupation to be carried on or use made of the premises which shall be unlawful, noisy, offensive or injurious to any person or property, or such as to increase the danger of fire or make void or voidable any insurance on said Building.

- D. Not to move any furniture or equipment into or out of the premises without advance notice to the Lessor.
- E. Not to place upon the interior or exterior of the Building or any window or other part thereof or door of the Leased Premises any placard, sign, covering or drapes, except such and in such place as shall have been first approved by Lessor, which approval shall not be unreasonably withheld.
- F. To conform to all rules and regulations from time to time established by appropriate insurance rating organizations, and to all reasonable rules and regulations from time to time established by Lessor.

15. DESTRUCTION OF PREMISES: In the event of damage or destruction of the Leased Premises by fire or any other casualty, this Lease shall not be terminated, but the premises shall be promptly and fully repaired and restored as the case may be by the Lessor at its own cost and expense. Due allowance, however, shall be given for reasonable time required for adjustment and settlement of insurance claims, and for such other delays as may result from government restrictions, and controls on construction, if any, and for strikes, national emergencies and other conditions beyond the control of the Lessor. Except as otherwise provided below, it is agreed that in the event of damage or destruction, this Lease shall continue in full force and effect, except for abatement of rent as provided herein. If the condition is such as to make the entire premises untenable, then the rental which the Lessee is obligated to pay hereunder shall abate as of the date of the occurrence until the premises have been fully restored by the Lessor. Any unpaid or prepaid rent for the month in which said condition occurs shall be prorated and paid or refunded as appropriate. If the premises are partially damaged or destroyed, then during the period that Lessee is deprived of the use of the damaged portion of said premises, Lessee shall be required to pay rental prorated to reflect that portion of the premises which it is able to occupy. Lessor will proceed at its expense and as expeditiously as may be practicable to repair the damage (without unreasonably interfering with Lessee's use of the remainder of the space), unless, because of the substantial extent of the damage or destruction, Lessor decides not to repair or restore the premises or the building, in which event, and at Lessor's sole option, Lessor may, upon

sixty (60) days notice to the Lessee, terminate this Lease forthwith, by giving Lessee a written notice of its intention to terminate within ninety (90) days after the date of the casualty. No compensation, or claim, or diminution of rent other than as described above will be allowed or paid, by Lessor, by reason of inconvenience, annoyance, or injury to business, arising from the necessity of repairing the Leased Premises or any portion of the building of which they are a part. In the event the damage to the Leased Premises is not repaired within two hundred seventy (270) days from the date of the casualty, Lessee may, in its sole discretion, terminate this Lease upon sixty (60) days notice to Lessor, unless Lessor has been and is continuing to repair the Leased Premises and within thirty (30) days of the date of such notice, Lessor confirms that substantial completion will occur within ninety (90) days of the date of such Tenant notice.

16. DELIVERY OF THE PREMISES: Lessee covenants at the expiration or other termination of this lease, to remove all goods and effects from the Leased Premises not the property of Lessor, and to yield to Lessor the Leased Premises and all keys, locks and other fixtures connected therewith (except trade fixtures and other fixtures belonging to Lessee), in good repair, order and condition in all respects, reasonable wear, tear and use thereof and damage by fire or other casualty and damage from any risk for which Lessee is not herein expressly made liable excepted.

17. DEFAULT:

- A. By Lessee: In the event that rent, or any installment thereof, shall remain unpaid after it becomes due and payable, within ten (10) days after written notice to the Lessee for same, or if Lessee or Lessee's assigns shall fail or neglect to keep and perform each and every one of the terms of this lease, and such failure or neglect continues for more than thirty (30) days (or such period as may reasonably be required to correct the default with exercise of due diligence), after written notice to Lessee from the Lessor specifying the default, then at the option of the Lessor, the Lessor and his assigns may proceed to recover possession under the laws of the State of Maryland.
- B. By Lessor: In the event that the Lessor or his assigns shall fail or neglect to keep and perform each and every one of the covenants, conditions, and

agreements contained herein, and such failure or neglect is not remedied within thirty (30) days (or such period as may reasonably be required to correct the default with exercise of due diligence) after written notice from the Lessee or his assigns specifying the default, then the Lessee or his assigns, at Lessee's option, may pursue any and all legal remedies available to Lessee.

- C. No default as hereinbefore provided shall be deemed complete unless at the time Lessor or Lessee seeks to take any action based upon such alleged default the same shall remain uncured.

18. HOLDOVER: In the event Lessee continues to occupy the Leased Premises or any part thereof after the conclusion of the term of this Lease, Lessee's tenancy shall be deemed to be upon a month-to-month basis. The tenancy thus created shall be subject to all applicable terms and conditions of this lease, including any rental increases pursuant to the provisions of Paragraph 4 hereof, and may be terminated by either party providing the other not less than thirty (30) days' written notice, to expire on the day of the month from which the tenancy commenced.

19. Lessor's Title and Covenant of Quiet Enjoyment: Lessor covenants that it has full right and power to execute and perform this lease and that it will put Lessee into complete and exclusive possession of the Leased Premises. The Lessor further covenants that Lessee, on paying the rents reserved herein and performing the covenants and agreements hereof, shall peaceably and quietly have, hold and enjoy the leased premises and all rights, easements, appurtenances and privileges thereunto belonging or in any way appertaining, during the full term of the lease, and any extension or renewals hereof.

20. STATUTORY PROVISIONS: It is understood, agreed and covenanted by and between the parties hereto that the Lessor and Lessee, as their interests may appear and at their respective expense, will promptly comply with, observe and perform all of the requirements of all the statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated whether required by the Federal government, the State of Maryland, the Montgomery County government, or the City of Rockville.

21. WAIVER: The waiver at any time by the Lessor or Lessee of any particular covenant or condition of this lease shall extend to that particular situation and covenant only, and for the particular time and in the particular manner specified, and such waiver shall not be construed or understood as waiving any further or other rights of any character whatsoever.

22. NON-DISCRIMINATION: Lessor agrees to comply with the non-discrimination in employment policies in County contracts as required by Section 11B-33 and Section 27-19 of the Montgomery County Code 1994, as amended, as well as all other applicable state and federal laws and regulations regarding employment discrimination. The Lessor assures the County that in accordance with applicable law, it does not, and agrees that it will not discriminate in any manner on the basis of age, color, creed, national origin, race, religious belief, sexual preference or disability.

23. NON-APPROPRIATION: This Lease is subject to the annual appropriation of funds. This lease shall terminate automatically on July 1 of any year for which Montgomery County, for whatever reason, does not appropriate funds to pay the rent herein stated. Lessee shall give Lessor at least forty-five (45) days written notice of the lack of appropriation. The Lessor shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items for any amount of money for which there has been no appropriation of funds.

24. CONTRACT SOLICITATION: Lessor represents that it has not retained anyone to solicit or secure this lease from Montgomery County, Maryland, upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for bonafide employees or bona fide established, licensed commercial selling or leasing agencies maintained by the Lessor for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.

25. PUBLIC EMPLOYMENT: Lessor understands that unless authorized under Chapter 19A or Section 11B-52 of the Montgomery County Code 1994, as amended, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

26. CONDEMNATION: In the event that the Leased Premises, or any part thereof, or more than twenty-five percent (25%) of the building (including the parking garage) of which the Leased Premises are a part is taken or condemned for public use or purpose by any competent authority, Lessee shall have no claim against the Lessor and shall not have any claim or right to any portion of the amount that may be awarded as damages or paid as a result of any such condemnation; and all rights of the Lessee to damages therefore, if any, are hereby assigned by the Lessee to the Lessor. The foregoing notwithstanding, Lessee shall be entitled to claim, prove and receive in the condemnation proceedings such awards as may be allowed for relocation expenses and for fixtures and other equipment installed by Lessee which shall not, under the terms of this Lease, be or become the property of Lessor at the termination hereof, but only if such an award is made by condemning authorities in addition to and stated separately from the award made for the land and the building or parts thereof so taken. Upon such condemnation or taking, the term of this lease shall cease and terminate from the date of such governmental taking or condemnation and the Lessee shall have no claim against the Lessor for the value of any unexpired term of this lease.

27. GENERAL PROVISIONS:

- A. It is further understood and agreed that this instrument contains the entire agreement between the parties hereof and shall not be modified in any manner except by an instrument in writing duly executed by the parties hereto.
- B. If any term of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such term shall not be affected thereby.
- C. The laws of the State of Maryland shall govern the validity, performance and enforcement of this lease.
- D. The term "Lessee" refers only to the County's obligations as a tenant under this Agreement and does not obligate or bind Lessee to act in its governmental capacity.

28. CONSTRUCTION AND REMODELING: In the event Lessee requires any additional construction or remodeling during the term hereof, Lessee shall provide Lessor with plans and specifications of said work. Upon receipt of Lessor's written approval of the Lessee's plans and specifications, Lessee may proceed to perform the work at Lessee's expense, or at Lessee's option, Lessee may require Lessor to perform said work at Lessee's expense and at negotiated prices. Lessee shall pay for any work performed by Lessor on Lessee's behalf within thirty (30) days from the submission of an invoice by Lessor for work satisfactorily completed, as additional rent hereunder.

29. SUBORDINATION: Lessor shall have the absolute right to encumber the premises set forth in this lease and the lease, at the option of Lessor, shall be subordinate to such encumbrance or encumbrances. Lessor agrees to use commercially reasonable efforts to obtain, in the event of an encumbrance, a non-disturbance agreement on Lessee's behalf. Lessee agrees to sign all papers for subordination when requested, provided such subordination shall be upon the express condition that the lease shall be recognized by the holder of the encumbrance and the rights of Lessee shall remain in full force and effect during the initial lease term or any extension thereof. In the event of a sale or transfer of the title to the aforesaid land and premises, any transferee shall be entitled to have this lease subordinated to the lien and effect of any first deed of trust or mortgage to secure purchase money upon the same terms and conditions stated above. Any transferee must also obtain a non-disturbance agreement on Lessee's behalf. Lessee agrees to execute any subordination documents required by Purchaser, subject only to the reservations recited in this paragraph.

30. BENEFIT AND BURDEN: The provisions of this lease shall be binding upon, and shall inure to the benefit of the parties hereto and each of their respective representatives, successors and assigns.

31. MAIL NOTICES: All notices required or desired to be given hereunder by either party to the other shall be given by certified or registered mail, postage prepaid, addressed to Lessor or Lessee, respectively. Notices to the respective parties shall be addressed as follows:

LESSOR:

Washington Real Estate
Investment Trust
6110 Executive Boulevard
Suite 800
Rockville, Maryland 20852

LESSEE:

Montgomery County Government
Dept. of Public Works and Transportation
Division of Facilities and Services
110 N. Washington Street, Suite 318
Rockville, Maryland 20850

32. RESIDENT AGENT: The Resident Agent for the Lessor is Ann M. Magruder, and its address for receipt of notices and service of process is Magruder & Associates, PC, 6756 McLean Village Drive, McLean, Virginia 22101. Lessor shall immediately notify Lessee of any change in resident agent or address as provided herein.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be properly executed.

WITNESS:

By: [Signature]

LESSOR:

WASHINGTON REAL ESTATE
INVESTMENT TRUST

By: George F. McKenzie

Title: : George F. McKenzie
Vice President

Date: : 11-4-99

WITNESS: Rebecca S. Domaruk

By: _____

LESSEE:

MONTGOMERY COUNTY, MARYLAND

By: William E. Mooney
WILLIAM E. MOONEY, SENIOR ASSISTANT
CHIEF ADMINISTRATIVE OFFICER

Date: 11/8/99

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

By: [Signature]

Date: 10/8/99

Community use of Public Facilities

RECOMMENDED

By: [Signature]
REY JUNQUERA, LEASING MANAGER
DIVISION OF FACILITIES AND SERVICES

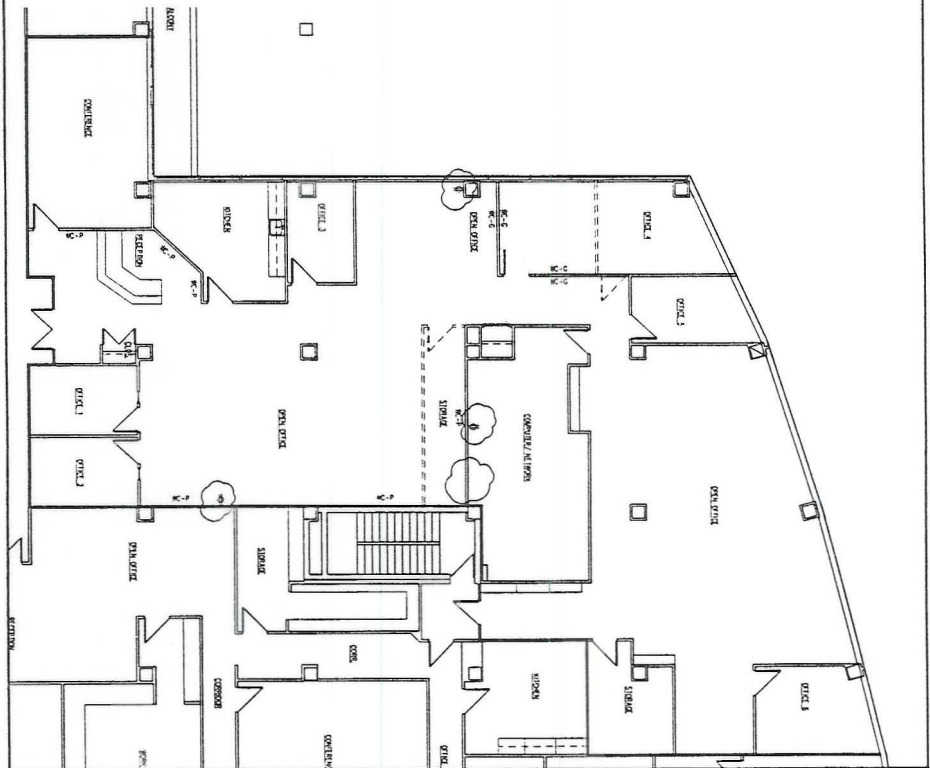
Date: 11/8/99

EXHIBIT A - FLOOR PLAN

TENANT NAME: INTERAGENCY
 SUITE NO.: 300 PROPERTY: 600 JEFFERSON
 PLAN DATE: 9-27-99 RENTABLE SF:
 FLOOR PLAN SUBJECT TO LOCAL JURISDICTION APPROVAL AS REQUIRED PER CODE. HVAC,
 PLUMBING & ELECTRICAL TO BE PER CODE. ACTUAL DIMENSIONS MAY VARY SLIGHTLY FROM
 EXISTING CONDITIONS IN BUILDING. INFORMATION SHOWN IS AS ACCURATE AS POSSIBLE. REFER
 TO "EXHIBIT B - TENANT IMPROVEMENT - SPECIFICATIONS" FOR MORE INFORMATION. I HAVE
 REVIEWED, UNDERSTAND AND ACCEPT THIS PLAN.
 INITIAL BY TENANT: _____ INITIAL BY LANDLORD: _____

LEGEND

- EXISTING DOOR TO REMAIN
- NEW DOOR
- EXISTING CONSTRUCTION TO REMAIN
- NEW CONSTRUCTION
- DEMISING WALL
- NEW WALL COVERING (GREY)
- NEW WALL COVERING (PINK)
- REVISIONS MADE
- NEW ELECT. OUTLETS



SHEET TITLE:
 INTERAGENCY
 600 JEFFERSON
 SUITE 300
 ROCKVILLE, MD 20850

DATE:
 09/27/99

DRAWN BY:
 WMA

SHEET NUMBER:
 A-1

SCALE:
 NOT TO SCALE

WASHINGTON REAL ESTATE INVESTMENT TRUST (WRIT)
 6110 EXECUTIVE BOULEVARD - SUITE 800
 ROCKVILLE, MARYLAND 20852
 (301) 984-9400

Exhibit B:

Tenant Improvements Specifications

- A. Landlord shall perform the following building improvements to the Premises at Landlord's sole cost and expense in a workman-like manner and in accordance with applicable building codes and as shown on the attached Exhibit A - Floor Plan ("Floor Plan"):
1. Demolition of existing walls which would be required to provide the layout, as shown on the attached Floor Plan. Contractor may save doors and frames that may be reused and relocated within the suite. Patch and repair walls, wall covering, ceilings, carpeting and areas affected by demolition work as required.
 2. Provide walls to be taped, blocked, and sanded, ½" gypsum wallboard on both sides of 2½" metal studs, from the floor up to the ceiling grid, as shown on the attached Floor Plan. Demising partitions will go up to the structure.
 3. Provide one (1) 3'-0" x 8'-2" solid core wood veneer interior doors, stained within the Tenant's suite as shown on the Floor Plan, with 626 brushed chrome finish Schlage cylindrical passage lever hardware set.
 4. *Provide new wall covering to match adjacent walls, on wall dividing computer/network room and old Storage Room 1, also along adjacent wall in Open Office. Remove Logo on reception wall, patch holes and provide new wall covering to match existing adjacent walls. Clean remaining wall covering*
 5. *Clean carpets after construction.*
 6. *Provide upgraded carpet and padding in Office 4, Office 6 and new carpet in space created by Storage Room 1 as shown on the Floor Plans. Tenant to select one color from manufacturer's standard selections throughout and based on manufacturer's availability.*
 7. *Provide Nafco or equal 2 1/2" high vinyl base cove on walls affected by new construction, to match adjacent walls. Tenant to select one color from manufacturer's standard selections and based on manufacturer's availability.*
 8. *Provide two coats of Duron, McCormick, or equal Interior Enamel semi-gloss paint on all the door frames affected by new construction. Door frames painted to match the adjacent walls. If doors in the space are painted, then repaint existing doors and paint new doors. If doors in the space are stained, then touch up existing doors, and stain new doors.*
 9. Existing suspended ceiling grid to remain. *Repair in areas effected by construction. Existing ceiling tiles to remain. Repair in areas effected by construction with building standard (USG 506 ceiling, white fissured square edge 16PC64SQ).*
 10. Existing building standard window blinds for all exterior windows within the Tenant's suite to remain repair or replace any damaged or missing blinds.
 11. Provide the following electrical and/or mechanical in the suite, if existing, then to remain, or provide new to make up the difference as follows:
 - a. Two (2) regular duplex receptacle per interior room. No outlets, or tenant telephone and computer receptacles will be permitted on building exterior window walls. New outlet covers are to have stainless steel finish.
 - b. One (1) duplex receptacle on a separate dedicated circuit in the suite.
 - c. One (1) single pole light switch for each interior room. New switch covers to match existing adjacent covers.
 - d. Relocate and provide as necessary 2' x 4' lay-in fluorescent lights, to be building standard.
 - e. Exit lights and emergency lights as required by code, to be battery back up.
 - f. Relocate existing HVAC diffusers and return grilles as required in each room or area so that there is a minimum of 1 supply and 1 return in each interior room and a minimum of one (1) return grill in each exterior office. Provide fire dampers where required by code.
 - g. Landlord will cooperate with the Tenant's telephone and computer companies with its installation of Tenant's lines, jacks and equipment.

- h. Tenant will provide the Landlord with all of the locations for all of the above mentioned items a. thru d.
- i. Provide a L6-30 outlet in Server Room near phone wiring.
- j. Provide three additional outlets to be located as shown on the attached floor plan.

- B. Except as otherwise set forth in Paragraph A above, Tenant, at its own cost, will be responsible for all other improvements to the Premises including, but not limited to ceiling, wall, floor and window coverings, lighting, fixtures, and other equipment.
- C. Tenant shall furnish the Landlord its electric and telephone locations as well as all other selections required by the Tenant (i.e. paint, carpet, base cove) no later than five (5) days after execution of this lease. Any delay to the improvements to be performed by the Landlord outlined in this Exhibit B for any of the following reasons shall be considered a "Tenant Delay": 1) Delays in time caused as a direct result of modifications to the floor plan and/or specifications as described in this Exhibit B. 2) Additional items required above and beyond the scope of Exhibit A or B for the Premises after lease execution. 3) Failure to make selections in a timely manner. or 4) Delays caused by the Tenants architect, contractor or other consultants. In the event of any such Tenant Delay, the Lease Commencement Date shall be the date of delivery of the Premises, minus the total number of days of any Tenant Delay. A deadline delivery date by the Landlord, if one is specified in the Lease, shall be extended by the total number of days of any such Tenant Delay.

Signed by:

Tenant:

Company Name

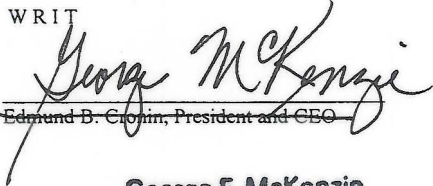
Signature

Name, Title

Date

Landlord:

W R I T


~~Edmund B. Cronin, President and CEO~~

George F. McKenzie
Vice President